FORM PTO-1613A

09-13-2000



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U.S. Department of Commerce Palent and Trademark Office TRADEMARK

8.9.00

## RECORDATION FORM COVER SHEET

	MARKS ONLY
	Please record the attached original document(s) or copy(ies).
Submission Type	Conveyance Type
xx New	Assignment   License
Resubmission (Non-Recordation)	xx Security Agreement Nunc Pro Tunc Assignment
Document ID #	Effective Date
Correction of PTO Error	Merger Month Day Year 12/31/99
Reel # Frame #	Change of Name
Corrective Document	
Reel # Frame #	Other
Conveying Party	Mark if additional names of conveying parties attached  Execution Date  Month Day Year
Name Bickel's Snack Foods, Inc.	12/31/99
Formerly	1960340
Individual General Partnership	Limited Partnership xx Corporation Association
Other	
xx Citizenship/State of Incorporation/Organization	ation Pennsylvania
Receiving Party	Mark if additional names of receiving parties attached
Name Hanover Foods Corporation	
DBA/AKA/TA	
Composed of	
Address (line 1) 1486 York Street	
Address (line 2)	
Address (line 3) Hanover	Pennsylvania 17331-7956
Individual General Partnership	State/Country Zip Code  Limited Partnership If document to be recorded is an
Individual General Partnership	assignment and the receiving party is not domiciled in the United States, an
xx Corporation Association	appointment of a domestic
Other	representative should be attached. (Designation must be a separate document from Assignment.)
xx Citizenship/State of Incorporation/Organiz	
	OR OFFICE USE ONLY
1/15/5000 IMBULEN 00000152 1300200	
FC:461 40.00 GP 450.00 GP	
FC:462 430.00 UP	

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Mail documents to be recorded with required cover sheet(s) information to: Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

FORM PTO-1618B
Exertes (6/00/9)
OMB 3451 JPD 1

Page 2

U.S. Cepartment of Commerce Patent and Trademark Office TRADEMARK

Domestic R	epresentative Name and Ado	dress Enter for the first I	Receiving Party only.
Name [		Cittor for the filst f	receiving raity only.
Address (line 1)			
Address (line 2)			
Address (line 3)			
Address (line 4)			
Correspond	lent Name and Address Area	Code and Telephone Number	(215) 569-5798
Name	Michael J. Smith, Esq	uire	
Address (line 1)	BLANK ROME COMISKY & 1	McCAULEY LLP	
Address (line 2)	One Logan Square		
Address (line 3)	Philadelphia, PA 1910	3	
Address (line 4)			
Pages	Enter the total number of pages including any attachments.	of the attached conveyance of	document # 10
Trademark.	Application Number(s) or Re	gistration Number(s)	XX Mark if additional numbers attached
Enter either the	e Trademark Application Number <u>or</u> the Re	gistration Number (DO NOT ENTER E	BOTH numbers for the same property).
Trac	demark Application Number(s)	Regi	stration Number(s)
75/574,22	5	1,955,350	0,552,760 1,545,495
		1,545,497	1,740,032
		2,071,660	2,071,659 [1,955,351
Number of	- Enter the total har	mber of properties involved.	# 19
Fee Amour	t Fee Amount for Pr	operties Listed (37 CFR 3.41	\$ 490.00
	of Payment: Enclosed	Deposit Account	
Deposit /	Account payment by deposit account or if additional	fees can be charned to the account )	
(Linter for )		it Account Number:	# 02-2555
	Autho	rization to charge additional fee	S: Yes XX No
Statement a	and Signature		
atta	he best of my knowledge and belief, t ched copy is a true copy of the origin cated herein.		
1	J. Smith		Am 19 ma
	of Person Signing	Signature	Hugust 7, 2000.  Date Signed
140/116			

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# RECORDATION FORM COVER SHEET CONTINUATION TRADEMARKS ONLY

U.S. Department of Commerce Parent and Trademark Office TRADEMARK

Conveying Party Enter Additional Conveying Party	Mark if additional names of conveying part	ties attached Execution Date  Month Day Year
Name		
Formerly		
Individual General Partnership	Limited Partnership Corporation	Association
Other		
Citizenship State of Incorporation/Organizatio	n [	
Receiving Party Enter Additional Receiving Party	Mark if additional names of receiving parties atta	ched
OBA/AKA/TA		
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Address (line 2)		
Address (line 3)	State/Country	Žip Code
Individual General Partnership Corporation Association	Limited Partnership If doct assign not do appoin	iment to be recorded is an iment and the receiving party is miciled in the United States, an imment of a domestic
Other	(Design documents)	entative should be attached mation must be a separate ment from the Assignment.)
Citizenship/State of Incorporation/Organizati	on.	
Trademark Application Number(s) or R  Enter either the Trademark Application Number or the Re	egistration Number(s) Mar	k if additional numbers attached ers for the same property).
Trademark Application Number(s)	Registration	Number(s)
	1,960,360 1,877	784 1,479,787
	0,686,975 0,615,9	
		939 1,598,833
	0,686,975 0,615,9	939 1,598,833
	0,686,975 0,615,9	939 1,598,833
	0,686,975 0,615,9	939 1,598,833

#### TRADEMARK SECURITY AGREEMENT

This Trademark Security Agreement ("Agreement") is made as of the 31<sup>st</sup> day of December, 1999, by BICKEL'S SNACK FOODS, INC., a Pennsylvania corporation ("Bickel's"), having a mailing address at 1120 Zinn's Quarry Road, York, Pennsylvania 17404 and delivered to HANOVER FOODS CORPORATION ("Hanover"), a Pennsylvania corporation having a mailing address at 1486 York Street, Hanover, Pennsylvania 17331-7956.

#### BACKGROUND

- A. This Agreement is being executed contemporaneously with that certain Security Agreement of even date herewith by and between Bickel's and Hanover (as the Security Agreement may hereafter be supplemented, restated, amended, superseded or replaced from time to time, the "Security Agreement"), under which Bickel's is granting Hanover a lien on and security interest in certain assets of Bickel's associated with or relating to products leased or sold or services provided under Bickel's's trademarks and the goodwill associated therewith, and under which Hanover is entitled to foreclose or otherwise deal with such assets, trademarks, servicemarks and tradenames under the terms and conditions set forth therein. Capitalized terms not defined herein shall have the meanings given to such terms in the Security Agreement.
- B. Bickel's has adopted, used and is using (or has filed applications for the registration of) the trademarks, servicemarks and tradenames listed on **Schedule "A"** attached hereto and made part hereof (all such marks or names hereinafter referred to as the "Trademarks").
- C. Pursuant to the Security Agreement, Hanover is acquiring a lien on, and security interest in, the Trademarks, together with all the goodwill of Bickel's associated therewith and represented thereby, as security for all of the Obligations, and desires to have its security interest in such Trademarks confirmed by a document identifying same and in such form that it may be recorded in the United States Patent and Trademark Office.

NOW THEREFORE, with the foregoing Background hereinafter deemed incorporated by reference and made a part hereof, and in consideration of the premises and mutual promises herein contained, the parties hereto, intending to be legally bound hereby, covenant and agree as follows:

1. In consideration of and pursuant to the terms of the Security Documents, and for other good, valuable and sufficient consideration, the receipt of which is hereby acknowledged, and to secure the Obligations, Bickel's grants to Hanover a lien and security interest in all of its present and future right, title and interest in and to the Trademarks, together with all the goodwill of Bickel's associated with and represented by the Trademarks, and the registration thereof and the right (but not the obligation) to sue for past, present and future infringements, and the proceeds thereof, including, without limitation, license royalties and proceeds of infringement suits.

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- 2. Bickel's hereby covenants and agrees to maintain the Trademarks in full force and effect and otherwise perform all of its obligations and undertakings under this Agreement until all of the Obligations are indefeasibly paid and satisfied in full.
  - 3. Bickel's represents, warrants and covenants that:
- (a) The Trademarks are subsisting and have not been adjudged invalid or unenforceable;
  - (b) Each of the Trademarks is valid and enforceable;
- (c) Bickel's is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Trademarks, and each of the Trademarks is free and clear of any liens, claims, charges and encumbrances, including, without limitation, pledges, assignments, licenses and covenants by Bickel's not to sue third persons;
- (d) Bickel's has the unqualified right, power and authority to enter into this Agreement and perform its terms; and
- (e) Bickel's has complied with, and will continue for the duration of this Agreement to comply with, the requirements set forth in 15 U.S.C. §1051-1127 and any other applicable statutes, rules and regulations in connection with its use of the Trademarks.
  - 4. Bickel's further covenants that:
- (a) Until all of the Obligations have been indefeasibly paid and satisfied in full, Bickel's will not enter into any agreement, including without limitation, license agreements or options, which are inconsistent with Bickel's's obligations under this Agreement, except for agency, co-marketing and co-branding agreements.
- (b) If Bickel's acquires rights to any new trademarks, the provisions of this Agreement shall automatically apply thereto and such trademarks shall be deemed part of the Trademarks. Bickel's shall give prompt written notice thereof along with an amended <u>Schedule</u> "A".
- 5. So long as this Agreement is in effect and so long as Bickel's has not received notice from Hanover that an Event of Default has occurred and is continuing under the Security Agreement and that Hanover has elected to exercise its rights hereunder, Bickel's shall continue to have the exclusive right to use the Trademarks, and Hanover shall have no right to use the Trademarks or issue any exclusive or non-exclusive license with respect thereto, or assign, pledge or otherwise transfer title in the Trademarks to anyone else.
- 6. Bickel's agrees not to sell, license, grant any option, assign or further encumber its rights and interest in the Trademarks without prior written consent of Hanover.

- The Bickel's hereby covenants and agrees that Hanover, as the holder of a security interest under the Uniform Commercial Code, as now or hereafter in effect in Pennsylvania, may take such action permitted under the Security Documents or permitted by law, in its exclusive discretion, to foreclose upon the Trademarks covered hereby. Bickel's authorizes and empowers Hanover, its successors and assigns, and any officer or agent of Hanover as Hanover may select, in its exclusive discretion, as Bickel's's true and lawful attorney-in-fact, with the power to endorse Bickel's's name on all applications, assignments, documents, papers and instruments necessary for Hanover to use the Trademarks or to grant or issue any exclusive or non-exclusive license under the Trademarks to anyone else, or necessary for Hanover to assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone else including, without limitation, the power to execute on Bickel's's behalf a trademark assignment in the form attached hereto as **Exhibit 1**. Bickel's hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof and in accordance with the terms hereof, except for the gross negligence or wilful misconduct of such attorney. This power of attorney shall be irrevocable for the life of this Agreement, the Security Documents, and until all the Obligations are indefeasibly paid and satisfied in full.
- 8. This Agreement shall be subject to the terms, provisions, and conditions set forth in the Security Agreement and may not be modified without the written consent of the party against whom enforcement is being sought.
- 9. All rights and remedies herein granted to Hanover shall be in addition to any rights and remedies granted under the Security Documents. In the event of an inconsistency between this Agreement and the Security Agreement, the language of the Security Agreement shall control.
- 10. Upon Bickel's performance of all of the obligations under the Security Documents and full and unconditional satisfaction of all of the Obligations and termination of the obligations under the Security Documents, Hanover shall execute and deliver to Bickel's all documents reasonably necessary to terminate Hanover's security interest in the Trademarks.
- 11. Any and all reasonable fees, costs and expenses, of whatever kind or nature, including the reasonable attorneys' fees and legal expenses incurred by Hanover in connection with the preparation of this Agreement and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, reasonable counsel fees, maintenance fees, encumbrances or costs otherwise incurred in protecting, maintaining, preserving the Trademarks, or in defending or prosecuting any actions or proceedings arising out of or related to the Trademarks, or defending, protecting or enforcing Hanover's rights hereunder, in each case in accordance with the terms of this Agreement, shall be borne and paid by Bickel's on demand by Hanover and until so paid, shall be added to the principal amount of the Obligations and shall bear interest at the contractual per annum rate prescribed in that certain Promissory Note issued by Bickel's to the order of Hanover dated of even date herewith.
- 12. Bickel's shall have the duty to prosecute diligently any trademark application with respect to the Trademarks pending as of the date of this Agreement or thereafter to preserve and maintain all rights in the Trademarks, and upon reasonable request of Hanover, Bickel's shall make

federal application on registrable but unregistered trademarks belonging to Bickel's. Any reasonable expenses incurred in connection with such applications shall be borne by Bickel's. Bickel's shall not abandon any Trademark without the prior written consent of the Hanover.

- 13. Bickel's shall have the right to bring suit in its own name to enforce the Trademarks, in which event Hanover may, if Bickel's reasonably deems it necessary, be joined as a nominal party to such suit if Hanover shall have been satisfied, in its sole discretion, that it is not thereby incurring any risk of liability because of such joinder. Bickel's shall promptly, upon demand, reimburse and indemnify Hanover for all damages, reasonable costs and expenses, including attorneys' fees, incurred by Hanover in the fulfillment of the provisions of this paragraph.
- 14. If an Event of Default is outstanding under the Security Agreement, Hanover may, without any obligation to do so, complete any obligation of Bickel's hereunder, in Bickel's's name or in Hanover's name, but at Bickel's's expense, and Bickel's hereby agrees to reimburse Hanover in full for all reasonable costs and expenses, including attorneys' fees, incurred by Hanover in protecting, defending and maintaining the Trademarks.
- 15. No course of dealing between Bickel's and Hanover nor any failure to exercise, nor any delay in exercising, on the part of Hanover, any right, power or privilege hereunder, shall operate as a waiver thereof, and all of Hanover's rights and remedies with respect to the Trademarks, whether established hereby or by the Security Documents, or by any other future agreements between Bickel's and Hanover or by law, shall be cumulative and may be exercised singularly or concurrently.
- 16. The provisions of this Agreement are severable and the invalidity or unenforceability of any provision herein shall not affect the remaining provisions which shall continue unimpaired and in full force and effect.
- 17. This Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.
- 18. This Agreement shall be governed by and construed in conformity with the laws of the Commonwealth of Pennsylvania without regard to its otherwise applicable principles of conflicts of laws.

19. Bickel's and Hanover each waive any and all rights it may have to a jury trial in connection with any litigation, proceeding or counterclaim arising with respect to rights and obligations of the parties under this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Trademark Security Agreement, under seal, the day and year first above written.

BICKEL'S SNACK FOODS, INC.

Bv:

Title: REASUREA

Approved and Accepted:

HANOVER FOODS\_CORPORATION

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#### CORPORATE ACKNOWLEDGMENT

UNITED STATES OF AMERICA	:		
COMMONWEALTH OF PENNSYLVANIA	:	SS	
COUNTY OF YORK	:		

On this 31 of Dec. 1999 before me personally appeared Edward Boeckel, Jr., to me known and being duly sworn, deposes and says that s/he is Treasurer of Bickel's Snack Foods, Inc., that s/he knows the seal of the corporation; that the seal so affixed to the Agreement is such corporate seal; that s/he signed the Agreement and affixed the seal of the corporation thereto as such officer pursuant to the authority vested in him by law; that the within Agreement is the voluntary act of such corporation; and s/he desires the same to be recorded as such.

Notary Public

My Commission Expires:

NOTARIAL SEAL
PATRICIA J. WEAVER, NOTARY PUBLIC
PENN TOWNSHIP, YORK COUNTY, PA
MY COMMISSION EXPIRES SEPTEMBER 22, 2003

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#### CORPORATE ACKNOWLEDGMENT

UNITED STATES OF AMERICA : COMMONWEALTH OF PENNSYLVANIA : SS COUNTY OF :

On this 31 day of Dec. 1999 before me personally appeared Gary T. Knisely to me known and being duly sworn, deposes and says that s/he is Exec. V.P. of Hanover Foods Corporation, that s/he signed the Agreement as such officer pursuant to the authority vested in her/him by law; that the within Agreement is the voluntary act of such corporation; and s/he desires the same to be recorded as such.

Notary Public

My Commission Expires:

NOTARIAL SEAL
PATRICIA J. WEAVER, NOTARY PUBLIC
PENN TOWNSHIP, YORK COUNTY, PA
MY COMMISSION EXPIRES SEPTEMBER 22, 2003

## Exhibit 1

## TRADEMARK ASSIGNMENT

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K:\BIRON\Hanover - York\Intecompany Loan\Trademark.wpd

STATE OF	;	
	: S.S.	-
COUNTY OF	:	
	day of ,	before me, a Notary Public for the said County and State,
personally appeared		
		isfactorily proven to me to be attorney-in-fact on behalf of
	rk Assignment on b	or") and s/he acknowledged to me that s/he executed the behalf of Grantor, and as the act and deed of Grantor for the
IN WITNE	SS WHEREOF, I h	ereunto set my hand and official seal.
		•
		Notary Public
My Commission E	xpires:	
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## SCHEDULE "A"

## TRADEMARKS

TRADEMARK	Registration No. (Serial No.)	Registration Date (Filing Date)
CABANA	(75/574,225)	October 21, 1998
BON TON CHEESE CURLIES	1,955,350	February 6, 1996
BON TON and Design	0,552,760	January 1, 1952
BON TON	1,545,495	June 27, 1989
BON TON (Stylized)	1,545,497	June 27, 1989
Miscellaneous Design	1,740,032	December 15, 1992
Miscellaneous Design	1,780,446	July 6, 1993
BON TON (Stylized)	2,071,660	June 17, 1997
BON TON	2,071,659	June 17, 1997
BON TON CHEESE CRUNCHIES	1,955,351	February 6, 1996
CABANA (Stylized)	1,960,360	March 5, 1996
CABANA (Stylized)	1,877,784	February 7, 1995
LOTS OF GOODNESS	1,479,787	March 8, 1988
LG	0,686,975	October 20, 1959
MRS. IHRIES	0,615,939	November 8, 1955
CRUNCH BUNCH	1,598,833	May 20, 1990
COLLEGE PARK	1,453,346	August 18, 1987
Miscellaneous Design	1,738,510	December 8, 1992
YORK	1,738,509	December 8, 1992

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**RECORDED: 08/09/2000**